

January 31, 2013

**VIA OVERNIGHT FEDEX**

Terrance L. Toavs  
Law Offices of Terrance L. Toavs  
429 2nd Ave S  
Wolf Point, MT 59201

**Re: Payment to the City of Poplar Pursuant to the East Poplar Oil Field  
Administrative Order on Consent**

Dear Mr. Toavs:

As you may recall, I represent SGH Enterprises, Inc. The Administrative Order on Consent (AOC) entered on March 26, 2012 with the U.S. EPA regarding the East Poplar Oil Field requires SGH and the two other companies to collectively pay \$320,000 to the City of Poplar by February 1, 2013, if certain prerequisites are satisfied. Payment is to be made if the City of Poplar has at least \$320,000 of expenditures "for installation of the water supply wells, the associated pipeline, and providing water from the Fort Peck Rural Water System to the City's residents" (AOC, para. 15). Another precondition is that Interstate Engineering must confirm in writing that expenditures were from the City's own funds rather than from grant funding (AOC, para. 15).


While we have received documentation of expenditures exceeding \$320,000, we have not received written confirmation from Interstate as to what portion of the expenditures were from the City's own funds. Thus, the preconditions to payment have not been satisfied.

However, as a gesture of goodwill, SGH has decided to pay the City its share of the \$320,000 amount. Enclosed please find a check in the amount of \$106,666.67, made payable to the City of Poplar, MT, representing one-third of \$320,000. I understand that the other companies will be communicating with you/the City separately.

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The AOC listed a different address for notice to the City, but that address is a P.O. Box, which will not accept overnight delivery. I am assuming that you will deliver to the appropriate individuals at the City.

Very truly yours,



Elizabeth E. Mack

Enclosure

cc: Keri Fox, City of Poplar (via email) ([cityofpoplar@nemont.net](mailto:cityofpoplar@nemont.net))

with enclosure

Nathan Wiser  
U.S. Environmental Protection Agency  
Office of Enforcement, Compliance  
and Environmental Justice  
Technical Enforcement Program (8ENF-UFO)  
1595 Wynkoop Street  
Denver, Colorado 80202

Sam Chamberlain  
Murphy Oil Corporation  
200 Peach Street  
El Dorado, Arkansas 71730

Ted Botner  
Murphy Oil Corporation  
200 Peach Street  
El Dorado, Arkansas 71730

Sid Campbell  
2903 Samantha Cove Court  
Katy, Texas 77494

Scott M. DuBoff  
Garvey Schubert Barer  
1000 Potomac Street, N.W., Fifth Floor  
Washington, D.C. 20007

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General Counsel  
The Samson Companies  
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Tulsa, Oklahoma, 74103

Mayor and City Attorney, City of Poplar  
P.O. Box 695  
Poplar, Montana 59255

Direct Inquiries to: 918-591-1306 or Accounts payable@samson.com

Vendor Number	Vendor Invoice No.	Invoice Date	Invoice Amount	Discount	Net Amount
326902	8ENFUFO	1/30/13	106666.67		106666.67
CHECK NUMBER 0810993					106666.67

**SAMSON**

Tulsa, Oklahoma

THE FACE OF THIS DOCUMENT HAS A TRICOLORED BACKGROUND NOT A WHITE BACKGROUND



**SAMSON**  
SAMSON PLAZA  
TWO WEST SECOND STREET  
TULSA, OKLAHOMA 74103

JPMorgan Chase Bank  
Circleville, OH  
Check Date

56-1544/441

01/30/13

Check Number  
0810993

U.S. Dollars

PAY EXACTLY

\$\*\*\*\*106,666.67

One Hundred Six Thousand Six Hundred Sixty Six and 67/100 \*\*\*\*\*

PAY TO THE ORDER OF

CITY OF POPLAR, MONTANA  
PO BOX 695  
POPLAR MT 59255-0695

VOID AFTER 180 DAYS

*Philip Cook*

⑈000810993⑈ ⑆044115443⑆ 627121478⑈